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No. 58

May 17, 2000

S. 2522 — Foreign Operations, Export Financing, and Related Programs Appropriation Bill, FY 2001

Calendar No. 530

Reported as an original bill from the Committee on Appropriations on May 11, 2000, by unanimous vote. S. Rept. 106-291.

NOTEWORTHY

- As reported by the Committee on Appropriations, S. 2522 provides a total of \$13.43 billion in new budget authority for foreign aid programs in FY 2001. This is \$1.71 billion below the Administration's request of \$15.14 billion and \$106 million below the FY 2000 nonemergency appropriation.
- In addition to funding for foreign aid programs, S. 2522 provides \$934.1 million in FY 2000 supplemental funding for Plan Colombia, a counter-narcotics initiative. This amount compares to the Administration's supplemental request of \$1.07 billion for FY 2000 and FY 2001, of which \$818 million is requested for FY 2000. An additional \$35 million in other FY 2000 supplemental funding is also provided in this bill. [Title VI of the bill contains the supplemental funding items.]
- The Committee has created a new account providing \$651 million for Global Health, including \$225 million for HIV/AIDS; \$41 million for tuberculosis; \$65 million for malaria; and \$50 million for a U.S. contribution to the Children's Vaccine Fund of the Global Alliance for Vaccines and Immunization.
- The Committee bill continues targeted reductions in amounts of economic assistance for Israel (\$840 million) and Egypt (\$695 million). Military assistance to those two countries is \$1.98 billion (up from \$1.92 last year) and \$1.3 billion respectively.
- Funds to certain countries are subject to new restrictions, including: (1) Aid to Russia is conditioned on cooperation with international efforts to investigate war crimes and atrocities in Chechnya, as well as with efforts to provide humanitarian relief in Chechnya; (2) aid to Kosovo is conditioned on certification that resources obligated and expended by the United States do not exceed 15 percent of the total from all donors; and (3) aid to Haiti is conditioned on free and fair parliamentary elections.

- S. 2522 includes longstanding prohibitions regarding the use of U.S. government funds to perform or promote abortion. The Committee bill includes language mandating that family planning funds provided to nongovernmental and multilateral organizations may not be subject to requirements more restrictive than those applicable to governments for such assistance; this means that foreign private organizations may not be subjected to what are known as "Mexico City" restrictions, which would deny family planning funds to foreign private organizations that use non-U.S. government funds for abortion. As in past years, Mexico City-type language may be included in the yet-to-be-reported House counterpart bill to S. 2522.

HIGHLIGHTS

S. 2522 provides \$13.38 billion for discretionary spending and \$44.5 million for mandatory spending.

Foreign Operations Appropriations, FY 2001 (Dollars, in thousands)

Appropriation Account	FY 2000 Level	Budget Estimate	Senate Committee Recommendation
Title I, Export and Investment Assistance	599,000	845,000	636,000
Title II, Bilateral Economic Assistance	8,470,917	8,861,201	7,817,739
Title III, Military Assistance	4,992,000	3,727,200	3,659,000
Title IV, Multilateral Economic Assistance	1,298,018	1,707,916	1,315,879
Totals	15,359,935*	15,141,317	13,428,618

*Includes \$1.825 billion in emergency appropriations.

BILL PROVISIONS

Title I: Export Assistance

This title provides \$636 million in funding for institutions that support U.S. exports: \$768 million for the **Export-Import Bank**, plus \$58 million for administrative expenses; \$24 million for the **Overseas Private Investment Corporation (OPIC)**, plus \$38 million in administrative expenses; and \$46 million for the **Trade and Development Agency**. (NOTE: Because of revenues generated by the institutions funded under this title, the total appropriation is less than the sum of the individual line-item appropriations.)

Title II: Bilateral Economic Assistance

This title appropriates funds for carrying out the provisions of the Foreign Assistance Act of 1961. For FY 2001, the Committee recommendation is \$7.82 billion, a reduction of \$653.2 million from the FY 2000 appropriation and \$1.04 billion less than the budget request.

- A major component of bilateral economic assistance is **Development Assistance**, for which the Committee provides funding of \$2.24 billion. This includes \$651 million for the new Global Health initiative: \$225 million for HIV/AIDS; \$41 million for tuberculosis; \$65 million for malaria; and \$50 million for a U.S. contribution to the Children's Vaccine Fund of the Global Alliance for Vaccines and Immunization. Country earmarks include Burma (\$6.5 million), Cyprus (\$15 million), Iraq (\$25, including \$15 million for food, medicine, and humanitarian assistance, and \$10 million for the opposition Iraqi National Congress), and Lebanon (\$15 million).
- **International Disaster Assistance** receives \$220 million, which is \$17 million more than the FY 2000 appropriation and the same as the budget estimate.
- **Economic Support Funds** total \$2.22 billion, of which \$840 million is earmarked for Israel, \$695 million for Egypt, \$150 million for Jordan, and \$25 million for East Timor.
- The Committee allocates \$635 million for **Eastern Europe and the Baltic states** pursuant to the 1989 Support for East European Democracy (SEED) Act, of which \$89 million is for Montenegro, \$75 million for Bosnia, and \$60 million for Croatia (contingent upon cooperation on war crimes, ending support for Croatian institutions in Bosnia, return of refugees, and other reforms). Resources obligated and expended by the United States in Kosovo cannot exceed 15 percent of the total resources obligated and expended by all donors.
- The Committee provides \$775 million for the **New Independent States of the former Soviet Union**. Funds for Russia are again conditioned on Moscow's ceasing its support

for Iran's nuclear program; in addition, funds are conditioned on Russia's cooperation with respect to international investigation of war crimes and atrocities in Chechnya and access to Chechnya of international humanitarian organizations. Country earmarks include \$175 million for Ukraine, \$94 million for Georgia, \$89 million for Armenia, and \$12 million for Mongolia.

- **The Peace Corps** is allocated \$220 million. In the report, the Committee commends the Director's initiatives on information technology and AIDS education.
- **State Department programs** receive \$1.07 billion, including: **international narcotics control and law enforcement**, \$220 million; **migration and refugee assistance**, \$615 million (of which \$60 million is available only for refugees resettling in Israel); and **nonproliferation, antiterrorism, demining, and related programs**, \$215 million, of which \$40 million is available for demining, and \$35 million is recommended for the Korean Peninsula Energy Development Organization (KEDO).

Title III: Military Assistance

Under this title, the Committee recommends a total of \$3.66 billion, \$68.2 million below the budget estimate, but \$24 million above the base funding in FY 2000 (the base funding excludes \$1.34 billion in emergency funding provided in FY 2000 for Wye River agreement funds). The following should be noted:

- The Committee bill includes earmarks for: Israel (\$1.98 billion), Egypt (\$1.3 billion), Jordan (\$75 million), Georgia (\$12 million; also, draw-down authority for \$5 million in defense articles and training for Georgia is provided, as well as transfer authority for \$10 million in defense articles for Georgia from Turkey), and Tunisia (\$10 million).
- The appropriation for **International Military Education and Training** is \$55 million.
- The Committee bill includes an appropriation of \$85 million for **peacekeeping activities**. This amount is \$68 million less than last year's appropriation and \$49 million less than the Administration request.

Title IV: Multilateral Organizations and Programs

This title appropriates \$1.32 billion for U.S. contributions to international lending institutions — such as the International Bank for Reconstruction and Development (also called the World Bank), the International Development Association, the International Finance Corporation, and several regional banks — and for U.S. contributions to various international organizations and programs. The following should be noted:

- **International Lending Institutions** are provided \$1.03 billion, as follows: **World Bank**, \$804 million; **Inter-American Development Bank**, \$10 million; **Asian Development Fund**, \$100 million; **African Development Bank**, \$6.1 million; **African**

Development Fund, \$72 million; European Bank for Reconstruction and Development, \$35.8 million.

- **The Committee bill allocates \$288 million for international organizations and programs, which is \$105 million more than last year's spending but \$66 million less than the budget estimate. Of these funds \$25 million is earmarked for the United Nations Population Fund (UNFPA).**

Title V: General Provisions

This section contains a number of provisions directed toward specific policy questions, including the following:

Sec. 502 prohibits funds appropriated under Title II of this bill from being used to support international financial institutions (which are funded under Title IV).

Sec. 507 prohibits direct funding for Cuba, Iraq, Libya, North Korea, Iran, Sudan, and Syria.

Sec. 508 prohibits aid to countries whose elected government is deposed by military coup.

Sec. 518 prohibits the use of funds for abortion or involuntary sterilization.

Sec. 523 bars indirect assistance to Cuba, Iraq, Libya, Iran, Syria, North Korea, and China.

Sec. 527 prohibits bilateral assistance to countries that support terrorism.

Sec. 530 prohibits selling Stinger missiles to countries bordering the Persian Gulf.

Sec. 537 prohibits use of funds for Serbia except for Kosovo and Montenegro or to promote democratization.

Sec. 539 states U.S. policy on terminating the Arab League boycott of Israel.

Sec. 545 states the sense of the Congress that American-made equipment and products should be purchased with funds made available in this Act.

Sec. 549 prohibits assistance to foreign governments that export lethal military equipment to countries supporting international terrorism.

Sec. 550 requires the deduction from the funds available to any country of an amount equal to 110 percent of the unpaid parking fines owed to the District of Columbia by that country.

Sec. 551 limits assistance for the PLO for the West Bank and Gaza.

Sec. 552 permits a drawdown of up to \$30 million to support the United Nations War Crimes Tribunal for the former Yugoslavia.

Sec. 554 restricts funds for the purposes of creating in any part of Jerusalem a new office of any U.S. government agency for the purpose of conducting official business with the Palestinian Authority.

Sec. 557 gives the president authority to grant debt relief to certain poorest nations.

Sec. 559 limits assistance to Haiti pending free and fair parliamentary elections.

Sec 563 limits assistance to the Palestinian Authority.

Sec. 564 limits assistance to security forces based on credible evidence of gross violations of human rights.

Sec. 565 bars bilateral and multilateral funds (other than for humanitarian, democracy, various nation-building programs, and other exceptions) to Croatia, Serbia, and portions of Bosnia and Herzegovina under Croat or Serb control, pending presidential certification regarding transferral of indicted war criminals to the International Criminal Tribunal for the Former Yugoslavia.

Sec. 566 prohibits aid to Russia unless the president certifies that Russia is not engaged in religious discrimination.

Sec. 567 prohibits use of funds for participation in the Kyoto Protocol to the Framework Convention on Climate Change.

Sec. 568 prohibits aid to the central government of the Democratic Republic of Congo.

Sec. 578 abolishes the Inter-American Foundation.

Sec. 582 designates Serbia (excluding Montenegro and Kosovo) a state sponsor of terrorism.

Sec. 584 prohibits the termination of sanctions against Serbia (excluding Montenegro and Kosovo) unless the President certifies that specified steps have been taken with respect to human rights, a Kosovo settlement, and other requirements.

Sec. 590 provides that in determining eligibility for funds, foreign nongovernmental and multilateral organizations may not be subjected to requirements more restrictive than the requirements applicable to foreign governments for such assistance (i.e., that they not advocate or perform abortion with non-U.S. government funds), and shall not be ineligible for such assistance solely on the basis of health or medical services provided (i.e., abortion-related services) if such services do not violate the laws of the country in which they are being provided and would not violate United States federal law if provided in the United States.

FY 2000 Supplemental Funds

Title VI: Plan Colombia

This title provides a total of \$969.1 million in FY 2000 supplemental funding, including \$934.1 million for Plan Colombia, a counter-narcotics initiative. This amount compares to the Administration's supplemental request of \$1.07 billion for FY 2000 and FY 2001, an amount which is over and above the \$305 million in funding provided to date for FY 2000, and over and above a separate Administration request of \$312 million for FY 2001.

The Colombia allocation includes \$118.5 million for refurbishment and procurement of 60 Huey II helicopters and for operating expenses. An Administration request for \$388 million for 30 Blackhawk helicopters was not funded because these aircraft could not be made available before the end of 2001 and would cost three times as much per hour to operate.

S. 2522 also funds (\$143 million) a number of human rights programs including \$25 million for Colombian National Police and *Fiscalia* (i.e., Colombian Attorney General's Office) human rights investigation units; and \$10 million for protection of witnesses, prosecutors, and judges. In addition, the Committee Report emphasizes the need for Colombia to control paramilitary groups and to assure military and police accountability to civilian authorities, notably with respect to trials of soldiers accused of human rights violations in civilian, not military, courts.

The Committee bill also provides \$205 million to other countries in the region: Bolivia (\$120 million), Ecuador (\$25 million), Peru (\$42 million), and other countries (\$18 million).

In addition to the \$934.1 million provided to the Department of State detailed above, this title also provides the following: \$25 million for international disaster assistance for the Agency for International Development (compared to the Administration's request of \$39 million); and \$10 million for the Drug Enforcement Administration.

ADMINISTRATION POSITION

No Statement of Administration Policy (SAP) was available at press time.

COST

S. 2522 provides budget authority of \$13.38 billion for discretionary spending and \$44 million for mandatory spending. With regard to outlays, the Committee, in consultation with the Congressional Budget Office, estimates that this bill would result in outlays of \$156 million in FY 2000 (supplemental), \$4.87 billion in FY 2001, \$4.13 billion in FY 2002, \$2.70 billion in FY 2003, \$853 million in FY 2004, and \$972 million in FY 2005 and beyond.

POSSIBLE AMENDMENTS

Wellstone. To cut funds for Plan Colombia.

Wellstone. To transfer Plan Colombia funds to domestic drug education, prevention, and treatment programs.

Leahy. Point of order regarding designation of emergency spending for Plan Colombia.

Brownback. Suspends economic (but not military) sanctions on India.

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